

Rt Hon Humza Yousaf MSP  
First Minister  
The Scottish Government  
St. Andrew's House  
Regent Road  
Edinburgh  
EH1 3DG

30 January 2024

Dear First Minister

### **National Care Home Contract**

At a recent meeting of the Council, it was agreed that we as the Group Leaders at the Highland Council jointly write to you to highlight our concerns over the sustainability of the independent care home sector in the Highlands, particularly in the context of the National Care Home Contract which is based on a 50-bed care home, operating at 100% occupancy.

This model does not adequately recognise that the Highlands has a widely dispersed population living in small and remote communities and consequently will operate very small care home facilities compared with the national average. This is clearly demonstrated in that there are only 8 homes in Highland which have over 50 beds (the minimum number at which homes are generally considered to be financially viable). We also have 20 care homes which have fewer than 20 beds.

In addition, it is very concerning that we have had six care home closures since January 2022 with one further care home having to be acquired by the Council. Care home provision in Highland presents significant financial sustainability and vulnerability risks.

In view of this, we are asking that the Scottish Government revise the formula for the National Care Home Contract and put in place a fairer funding model which recognises the uniqueness of the Highland geography and the demographic challenges we face.

We look forward to hearing from you.

Yours sincerely

Councillor Raymond Bremner  
**Leader of The Highland Council  
and Leader of the SNP Group**

Councillor Bill Lobban  
**Convener of the Highland Council  
and Leader of the Independent  
Group**

Councillor Alasdair Christie  
**Leader of the Opposition and  
Leader of the Liberal Democrat  
Group**

Councillor Ruraidh Stewart  
**Leader of the Scottish  
Conservative and Unionist Party  
Group**

Councillor Duncan Macpherson  
**Leader of the Highland Alliance  
Group**

Councillor Chris Ballance  
**Leader of the Scottish Green Party  
Group**